

**Introduced by Senator Wiggins**

February 9, 2009

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An act to amend Section 25500.1 of the Business and Professions Code, relating to alcoholic beverages.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 131, as introduced, Wiggins. Alcoholic beverages: tied-house restrictions.

The Alcoholic Beverage Control Act contains limitations on sales commonly known as "tied-house" restrictions, which generally prohibit a manufacturer, winegrower, manufacturer's agent, California winegrower's agent, rectifier, distiller, bottler, importer, or wholesaler from furnishing, giving, or lending any money or other thing of value to any person engaged in operating, owning, or maintaining any off-sale licensed premises. Existing law provides that, for purposes of these provisions, the listing of the names, addresses, telephone numbers or e-mail addresses, or both, or web site addresses, of two or more unaffiliated on-sale retailers selling wine or brandy, or both, and operating and licensed as bona fide public eating places selling the wine or brandy produced, distributed or imported by a nonretail industry member in response to a direct inquiry from a consumer received by telephone, by mail, by electronic Internet inquiry or in person does not constitute a thing of value or prohibited inducement to the listed on-sale retailer, if specified conditions are met.

This bill would revise the direct inquiry provisions to include any electronic inquiries from consumers. This bill would also make technical, nonsubstantive changes to this provision.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Section 25500.1 of the Business and Professions Code is amended to read:

25500.1. (a) Notwithstanding Section 25500, the listing of the names, addresses, telephone ~~numbers and/or numbers~~, e-mail addresses, or ~~web Internet Web~~ site addresses, of two or more unaffiliated on-sale retailers selling ~~wine and/or brandy~~ *wine, brandy, or both wine and brandy* and operating and licensed as bona fide public eating places pursuant to Section 23038 selling the ~~wine and/or brandy~~ *wine, brandy, or both wine and brandy* produced, ~~distributed and/or imported~~ *distributed, imported, or both distributed and imported* by a nonretail industry member in response to a direct inquiry from a consumer received by telephone, by mail, by electronic ~~Internet~~ inquiry or in person does not constitute a thing of value or prohibited inducement to the listed on-sale retailer, provided:

(a)

(1) The listing does not also contain the retail price of the product, and

(b)

(2) The listing is the only reference to the on-sale retailers in the direct communication, and

(c)

(3) The listing does not refer only to one on-sale retailer or only to on-sale retail establishments controlled directly or indirectly by the same on-sale retailer, and

(d)

(4) The listing is made by, ~~and/or produced by, and/or paid for~~ *produced by, or paid for, or any combination thereof*, exclusively by the nonretail industry member making the response.

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(b) For the purposes of this section, “nonretail industry member” is defined as a manufacturer, winegrower, distiller of ~~wine and/or brandy~~ *wine, brandy, or both*, regardless of any other licenses held directly or indirectly by such person. Except as specifically provided above, any payment for, making or production, either directly or indirectly, listing the names, addresses, telephone ~~numbers and/or numbers~~, e-mail addresses, or ~~web Internet Web~~ site addresses, of on-sale retailers otherwise authorized by this

1 section by a wholesaler or by a wholesaler that also holds an  
2 importer's license shall constitute the furnishing of a thing of value  
3 or inducement to the listed on-sale retailers in violation of this  
4 division.

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